

WASHINGTON – As the World Bank prepares for its annual meetings this week, U.S. Reps. Mark Kirk (R-Ill.), Steven Rothman (D-N.J.) and Rob Andrews (D-N.J.) today introduced a bipartisan resolution calling on the Bank's Board of Directors to end disbursements to Iran until the International Atomic Energy Agency (IAEA) certifies Iran's compliance with U.N. Security Council Resolutions and the Nuclear Non-Proliferation Treaty.

"As part of the United Nations family, the policies of the World Bank should be aligned with the policies of the U.N. Security Council," said Congressman Kirk, co-chair of the House Iran Working Group and a member of the Appropriations subcommittee that funds the World Bank. "The United States and the World Bank should not subsidize Iran's economic development while its government enriches uranium in violation of U.N. Security Council resolutions."

Both the Security Council and the IAEA found that Iran is in breach of its obligations under the U.N. Nuclear Non-Proliferation Treaty. The IAEA reports that Iran ignored the Security Council's deadline to stop enriching uranium and expanded its nuclear program.

Bank records show \$220 million in disbursements to Iran during Fiscal Year 2007, which ended on June 30, 2007. Project forecasts indicate \$870 million remain in the pipeline through 2010. The World Bank is funding nine government projects in Iran totaling \$1.355 billion—one of which operates in Isfahan, the headquarters of Iran's nuclear program.

"Why would Iran reconsider its nuclear program if a U.S.-backed agency continues to send it money without a second thought?" said Congressman Rothman, also a member of the Appropriations subcommittee that funds the World Bank. "Those of us in Congress will be forced to reconsider America's generous investment in the World Bank if this institution persists in sending hundreds of millions of dollars to an openly hostile Iran."

"The World Bank is meant to help those who want to pull their people out of poverty and develop into modern states, not to pad the accounts of theocratic leaders who would rather fund terror than education," says Rep. Rob Andrews. "This legislation should be recognized by the Iranian leadership as a signal that Congress is willing to use every diplomatic tool available to prevent them from obtaining nuclear weapons."

The World Bank convenes for its annual meeting on Friday. Last July, Reps. Kirk, Rothman

and Andrews, along with other House foreign assistance leaders, sent a letter to World Bank President Robert Zoellick asking him to use his influence with the Board of Directors to immediately end Bank disbursements to Iran. To date, the Board has taken no action.

The United States remains the top investor in the World Bank, contributing \$950 million in 2006 and \$940 million in 2007. This summer, the House of Representatives approved another \$950 million contribution while the Senate approved more than \$1 billion.

The resolution is included below.

**110TH CONGRESS
1ST SESSION
H. CON. RES. 235**

Regarding ending World Bank disbursements to Iran until the International Atomic Energy Agency certifies the compliance of the Islamic Republic of Iran with Resolutions 1696 and 1747 of the United Nations Security Council and the terms of the Nuclear Non-Proliferation Treaty.

Whereas the Islamic Republic of Iran is a signatory to the Nuclear Non-Proliferation Treaty and a member of the International Atomic Energy Agency;

Whereas, although Iran has agreed to safeguards to ensure compliance with its non-proliferation commitments under the Nuclear Non-Proliferation Treaty, the International Atomic Energy Agency has reported numerous concerns with the implementation of such safeguards to ensure Iran's compliance with its commitments;

Whereas international inspections in 2003 and 2004 of Iran's nuclear program revealed significant undeclared activities with potential application for the development of nuclear weapons;

Whereas according to the International Atomic Energy Agency, Iran has not declared the full scope of its nuclear program and has not allowed full and unrestricted access to all its nuclear sites;

Whereas, in June 2006, Iran refused to consider economic incentives offered by the five permanent members of the United Nations Security Council and Germany in exchange for a permanent halt to Iran's uranium enrichment program;

Whereas, on July 31, 2006, the United Nations Security Council adopted Resolution 1696, setting a deadline of August 31, 2006, for Iran's full, unconditional, and immediate compliance with its obligations under the Nuclear Non-Proliferation Treaty;

Whereas Iran is in violation of Resolution 1696;

Whereas, on March 23, 2007, the Iranian Revolutionary Guard Navy seized 15 British marines and sailors on the same day the United Nations Security Council considered a new resolution to sanction the Government of Iran for its continued defiance of the United Nations Security Council and the International Atomic Energy Agency;

Whereas, on March 24, 2007, the United Nations Security Council adopted Resolution 1747 to impose further economic sanctions on Iran for its non-compliance with previous United Nations Security Council resolutions;

Whereas Iran is in violation of Resolution 1747;

Whereas, on May 14, 2007, Director General Mohammed El-Baradei of the International Atomic Energy Agency announced that Iran possesses the knowledge to enrich uranium to weapons-grade level;

Whereas, on May 20, 2007, the head of Iran's Atomic Energy Organization announced the

Iranian nuclear program was moving ahead as scheduled towards its previously stated goal of 50,000 centrifuges running at its Natanz facility;

Whereas, on May 23, 2007, the International Atomic Energy Agency reported that Iran not only ignored the deadline imposed by the United Nations Security Council to stop enriching uranium, but also markedly expanded its enrichment program;

Whereas diplomatic means present the most effective way to defuse the crisis regarding the Iranian nuclear program;

Whereas the World Bank is funding nine government projects in Iran totaling \$1.355 billion;

Whereas the World Bank operates one project in Isfahan, the headquarters of Iran's nuclear program;

Whereas loan credits from the International Bank for Reconstruction and Development are paid directly to the recipient government;

Whereas the United States remains the top investor in the World Bank, contributing \$950 million in 2006 and \$940 million in 2007;

Whereas the World Bank disbursed at least \$220 million to Iran in fiscal year 2007, and more than \$870 million is scheduled for disbursement in fiscal years 2008, 2009, and 2010;

Whereas the Board of Directors of the World Bank has taken no action to end these disbursements, and the United Nations Security Council has given no explicit direction to the World Bank on this issue;

Whereas the World Bank is part of the United Nations family and the policies of the World Bank should be aligned with the policies of the United Nations Security Council; and

Whereas failure to end World Bank disbursements to Iran could impact future contributions to the World Bank by the United States and other leading investors:

Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) urges the Board of Directors of the World Bank to request a policy review of current disbursements to the Islamic Republic of Iran and to end these disbursements until the International Atomic Energy Agency certifies the compliance of Iran with resolutions 1696 and 1747 of the United Nations Security Council and the terms of the Nuclear Non-Proliferation Treaty; and

(2) urges the United Nations Security Council to order the World Bank to end disbursements to Iran if the Board of Directors of the World Bank fails to take action on its own.